GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2573
ANSWERED ON:14.03.2016
Royalty Rates
Sawant Shri Arvind Ganpat

Will the Minister of MINES be pleased to state:

(a) the details of the total amount paid as royalty to mineral producing States during each of the last three years, State-wise;
(b) whether the Government proposes to give right to revise the rate of royalty on minerals to concerned States and if so, the details thereof and if not, the reasons therefor;
(c) whether the Government proposes to link royalty payable on ironore to market rate in place of the present prescribed rate; and
(d) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a) Royalty on minerals including minor minerals is collected and appropriated by the State Governments, and data in this regard is not maintained centrally.

(b) As per section 9(3) of the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act, 1957) the Central Government is empowered to prescribe the rates of royalty and dead rent in respect of major minerals. Further as per section 15 of the MMDR Act, 1957, State Governments are empowered to prescribe the rates of royalty and dead rent in respect of minor minerals.

(c) and (d): The rates of royalty and dead rent for major minerals (other than coal, lignite and sand for stowing), which have been revised with effect from 1st September 2014 prescribe royalty for most of the minerals (including iron ore) on ad valorem basis, while for some minerals it is fixed on tonnage basis. The rate of royalty on iron ore is fifteen per cent of average sale price on ad valorem basis.

***